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REPORT ON
FOURTH CDCC (PRE-CGCED) CONSULTATIVE MEETING
(New York, 11 June 1982)

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REPORT ON
FOURTH CDCC (PRE-CGCED) CONSULTATIVE MEETING
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The meeting was convened under the Chairmanship of Minister Lyden Ramdhanny (Grenada), to consider the matters tabled for the Fifth Meeting of the Caribbean Group for Co-operation in Economic Development (CGCED), Washington, 14-18 June 1982.

General Remarks

2. The Chairman pointed out that while the primary concern was to achieve closer co-ordination between CDCC activities and CGCED regional projects, it was necessary to give thought to the range of related matters in the document "Caribbean Group: Current Situation and Prospects". He drew to attention that, in addition to the information on the matters going before the CGCED, participants had been provided with a summary of the CDCC work programme 1982-83, and with the report on the Sixth Session of the CDCC. In his remarks on ongoing work in the CDCC, he stressed the need for further stimulation from the side of the Governments; and suggested that this could be aided by more frequent contact to deal with specific items and sectoral Ministerial meetings to give direction to the sector projects. He emphasised the importance of continually keeping policy and strategy under review, these being essential elements in achieving the co-ordination of activities in the different fora, and of keeping a desirable balance in the thrust of development activity, especially where it concerned mobilization of resources.

3. Mr. Silbourne Clarke, on behalf of the CDCC Secretariat, made the main presentation, in which he outlined the background to the regional projects before the CGCED, indicated the related CDCC activities, and identified the specific regional projects where co-ordination was necessary. He drew to attention the fact that the main subjects for consideration at CGCED, would be private sector development, export

promotion, incentives to investment and trade, and establishment of the Inter-Agency Resident Mission. He noted that several regional projects that had been before previous CGCED meetings for financing had not received donor support, and that there were others which had been only partially financed. In particular, the projects on agricultural research and on trade information, both of which overlapped with CDCC activities, had not so far received adequate donor support.

4. Several delegations spoke regretting inability to deal in depth with the main paper because it had been received too late.^{1/} Some others felt there needed to be better machinery to enable their Governments to make more concrete inputs to the CGCED on particular projects. Most delegations felt there was need to reinforce the co-ordination process to allow freer flow of information at the project formulation stage, so that CDCC inputs could be taken more fully into account. They considered the Technical Assistance Steering Committee had served a good purpose and should be re-established, or at least some equivalent of it. Concerning the pre-CGCED Consultative Meetings, there was also the view that more effective results might be achieved if they were held in Washington.^{2/}

5. The views were also put forward that the CDCC needed to have better and fuller information on the CGCED on a regular basis. It was noted that several preparatory meetings normally precede the CGCED, and that not even all the CGCED-participating countries were invited to those preparatory meetings. As a result, the views of the non-invited countries were not incorporated into the preparation of the CGCED document. The CDCC Secretariat should, therefore, endeavour to establish the views of those countries and their reactions, as part of the process of determining what CDCC action should be.

^{1/} The main paper was in the hands of the Missions two or three days prior to the meeting, depending on when they were collected from the UN Regional Commissions Section.

^{2/} From separate information provided, it was learnt that if the CDCC Consultative Meetings at Washington were organized sufficiently well in advance, then there would not be impediment on any of the CDCC Governments being represented.

6. Some consideration was given to the question of types of relationships that could develop between ongoing Caribbean activities and other initiatives, for example, the Caribbean Basin Initiative (CBI). There was the view that some initiatives could be detrimental to Caribbean regional activities.

Comments on Regional Projects before CGCED

7. Concerning the document "CGCED - Situation and Prospects", there was general acceptance for the programmes, and more especially for those in the public sector, which could be supportive of CDCC programmes. The delegations were of the view that to the greatest extent possible, funding should be channelled through CDB, CARICOM or other regional body as appropriate.

8. The delegations felt that the efforts to strengthen the Caribbean information systems should be accelerated, and should embrace all the countries of the area. There was concern that the establishment of trade information services had not progressed as rapidly as had been hoped.

9. As regards the Caribbean Project Development Facility (CPDF) for stimulating development of the private sector, many delegations were concerned about the minimum for size of projects, which at US\$400,000 was considered to be too high for the small countries. It was argued that it would rule out many useful projects. In addition, the point was made that it could serve to increase the existing polarization of industry, rather than reduce it, by favouring the location of new projects in the larger countries.

10. Some concern was expressed about what seemed to be too much stress on export promotion at the expense of import substitution which the delegations felt was most important particularly in the food sector, and in the face of foreign exchange shortages. It was stated that if a good balance was not achieved between export promotion and import substitution, one result would be to leave the CARICOM LDC's at a further disadvantage. It was stated too, that there was too much

emphasis on smallness of market as a constraint on development. The view was put forward if this is a correct analysis of the problems, then it follows that overly strong emphasis on incentives etc., are not the right solutions.

11. Regarding the Inter-Agencies Resident Mission, the delegations were of the view that there should be inclusion of Caribbean expertise; that the appointments procedure should include circulation of the CV's to the Governments to be served by the Mission; and that funding should be made available for the recruitment of local people in the Mission. It was also mentioned that liaison between IARM and the UNDP Resident Representative needed to be carefully considered.

Observations on Summaries of Country Notes

12. Several delegations commented on the country notes at Attachment I in the text of the paper "Caribbean Group: Situation and Prospects". One delegation observed it was only in the case of St. Lucia that political instability was mentioned, and the phrasing suggested a continuing or recurrent condition, so that it should be rephrased and made more neutral.

13. Another delegation pointed out that the Government, having seen the draft of the country memorandum, had expressed disagreement with it and requested the World Bank not to publish that paper. However, the country note in the attachment is a summary of that paper, in which some of the statements are false. Accordingly, the Paragraph 1.15 on Page 30 should be eliminated; and also the related statistics should be deleted as they are not accurate.

14. Still another delegation was concerned that the country note seemed to highlight only negative aspects, e.g. tourism, and expressed unhappiness with the overall presentation as many important developments had not been mentioned.

15. Other delegations also stated that the country note was unsatisfactory and the view was put forward that it would be better for the World Bank to use information provided for CDCC, as generally the World Bank data are inaccurate. In the absence of better data, reliance should be placed on what comes from the countries. It was concluded that a suitable approach might be to ask the CDCC Secretariat to study the problem, and at the next session to come up with suggestions for improvement of the situation.

